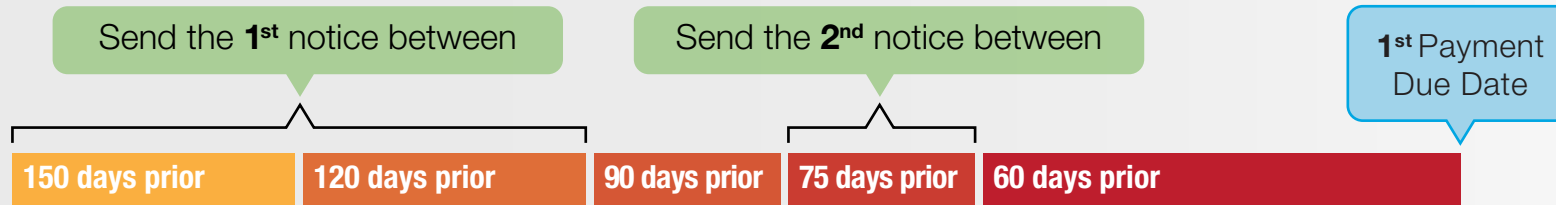
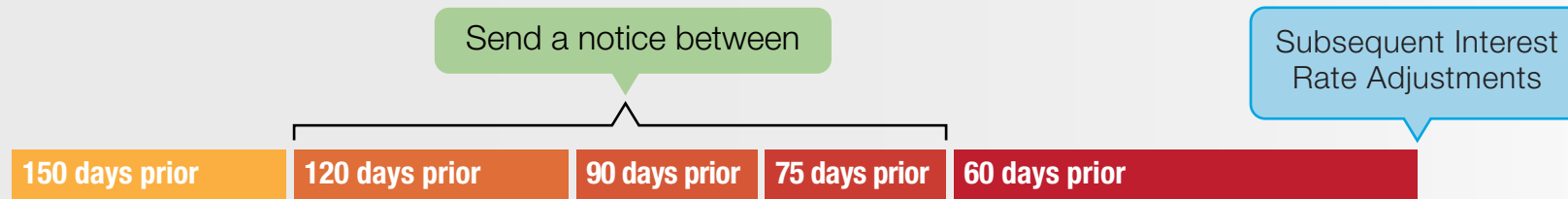


## Initial Borrower Notification Requirements

### ▶ Prior to the 1<sup>st</sup> payment due date at the new interest rate, you must:



### ▶ Prior to any subsequent interest rate adjustments, you must:



### ▶ Include these items in your written notices:

- Effective date of interest rate change
- Interest rate and payment details (Review Guide Chapter 8501 for additional details)
- Payment schedule
- Your contact information

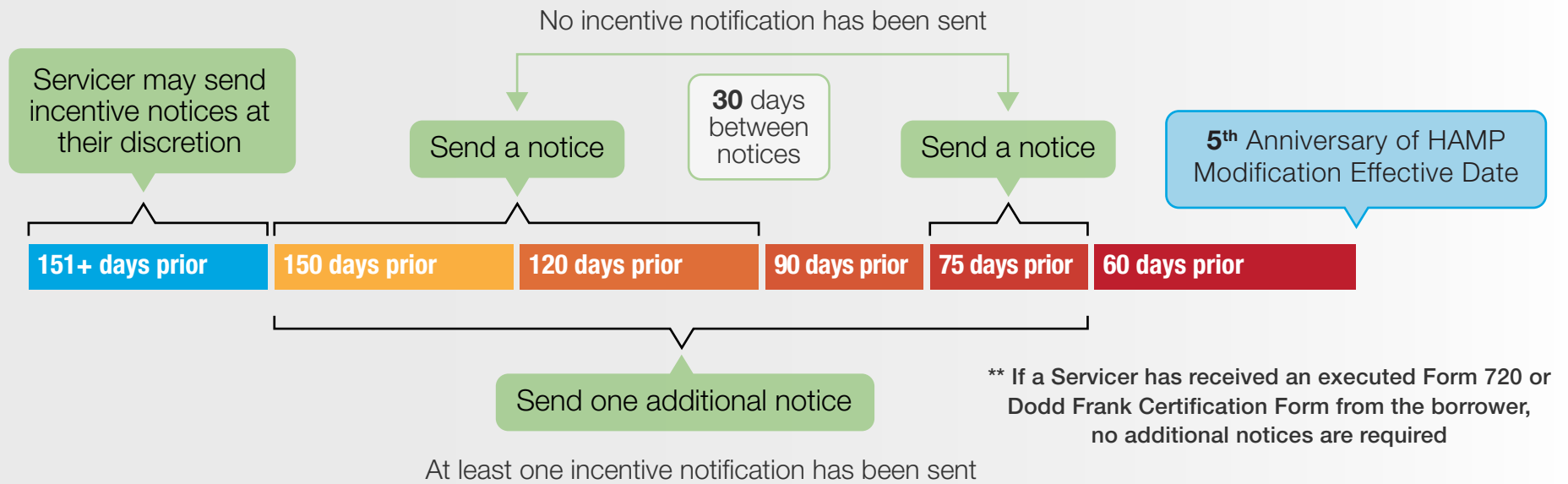
*(You have the flexibility to send the required written notices through the postal service or email as long as you can document your efforts.)*

### ▶ Respond to potential default situations, leverage our Guide workout options

### ▶ Encourage borrowers to take advantage of available resources:

- Homeowners HOPE™ Hotline: 888-995-HOPE
- [Department of Housing and Urban Development \(HUD\)](#)-approved housing counseling agencies
- [Freddie Mac's My Home website for mortgage help](#)

## Communicating Pay For Performance Incentives



## Sending An Offer To Reamortize The Mortgage



## Optimizing Outcomes For Borrowers With Step-Rate Mortgages

- ▶ For borrowers who need a more affordable workout solution, follow these evaluation guidelines. Refer to the **Freddie Mac Single-Family Seller/Servicer Guide** for details.

### When the borrower is...

Current and determined in imminent default or delinquent. Living within a MyCity Modification jurisdiction and meets other eligibility requirements.

**Currently in a HAMP Modification and needs a more affordable workout solution.**

Current or < 60 DD, and meets other eligibility requirements.

≥ 60 DD, meets other eligibility requirements.

Ineligible for, does not accept, or fails to complete any of the above modifications.

Not able to retain the home and exiting the home gracefully is not an option.

### Evaluate for...

**MyCity Modification**

[Review program details](#)

**HAMP Modification**

[Review program details](#)

**Standard Modification**

[Review program details](#)

**Streamlined Modification**

[Review program details](#)

**Other Workout Solutions**

[Standard Short Sale](#)

[Standard Deed-in-Lieu](#)

**Foreclosure**



**Borrower's current modification solution**

(Most borrowers with step-rate mortgages are HAMP mortgages)